

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF NEW YORK

MEGHAN HUNTER, Individually and as Parent and
Natural Guardian of M.H., and M.H.,

Plaintiffs,

vs.

SHANGHAI HUANGZHOU ELECTRICAL
APPLIANCE MANUFACTURING CO., LTD.,
SHANGHAI HUANGZHOU INDUSTRY CO., LTD.,
QUALITY CRAFT HOME DÉCOR, INC., QUALITY
CRAFT MERGERCO, INC., QUALITY CRAFT LTD.,
QCIL INTERNATIONAL, INC., COLLINS CO. LTD.,
COLLINS INTERNATIONAL CO. LTD., HOME
DEPOT, U.S.A., INC., THE HOME DEPOT, INC., HD
DEVELOPMENT OF MARYLAND, INC., and OSRAM
SYLVANIA, INC.,

Defendants.

ORDER

Civil Case No.: 5:17-cv-0052
(BKS-TWD)

Upon review of the Petition and Declaration of Meghan Hunter dated June 8, 2021, (Dkt. Nos. 171, 171-1, 171-3); the Declaration of Timothy P. Murphy, Esq., dated June 11, 2021, (Dkt. No. 171-2); the Declaration of Philip Saunders dated June 3, 2021, (Dkt. No. 171-4); the Declaration of Annette C. Zawadzki dated July 15, 2021, (Dkt. No. 172); the Declaration of Timothy P. Murphy, Esq., dated July 15, 2021, (Dkt. No. 172-1); and the Supplemental Draft Settlement Agreement (Dkt. No. 172-2) in support of Plaintiffs' Motion for Approval of an Infancy Settlement (the "Motion"); and the Court being aware that Plaintiff Meghan Hunter and Defendants Quality Craft Home Décor, Inc., Quality Craft Mergerco, Inc., Quality Craft, Ltd., QCIL International, Inc., Home Depot, U.S.A., Inc., The Home Depot, Inc., and HD Development of Maryland, Inc. (collectively, the "Defendants") have agreed to a confidential global settlement of this lawsuit for a total of [REDACTED] with [REDACTED] being offered to settle M.H.'s claim,

subject to this Court's approval, and [REDACTED] being offered to settle Meghan Hunter's claim, subject to the approval of the United States Bankruptcy Court for the Northern District of New York in Case No. 20-61063-6-dd (the "Bankruptcy Court"); and the Court having held a telephonic hearing regarding the Motion on July 1, 2021; and it appearing that approval of the settlement of M.H.'s claim would be in the best interests of said infant; and due deliberation having been had,

NOW, upon motion of Hancock Estabrook, LLP, Timothy P. Murphy, Esq., counsel for the Plaintiffs, it is

ORDERED that Meghan Hunter be, and hereby is, authorized and empowered to settle and compromise the claim of the infant, M.H., assuming that the Bankruptcy Court approves the settlement of Meghan Hunter's claim, for [REDACTED], part of which shall be structured as set forth in this Order; and it is further

ORDERED that this Court will withdraw its approval of this settlement and shall retain jurisdiction over this case in the event that the Bankruptcy Court does not approve the settlement of Meghan Hunter's claim; and it is further

ORDERED that attorneys' fees in the amount of [REDACTED] to Hancock Estabrook, LLP are hereby approved and to be paid out of M.H.'s settlement proceeds; and it is further

ORDERED that expenses in the amount of \$417,567.47 to Hancock Estabrook, LLP are hereby approved and to be paid out of M.H.'s settlement proceeds; and it is further

ORDERED that \$5,838.45, or the updated Medicaid lien amount as defined in the Declaration of Timothy P. Murphy, Esq. dated June 11, 2021, (Dkt. No. 171-2, at 10), is to be paid out of M.H.'s settlement proceeds; and it is further

ORDERED that Defendants or their insurers shall use [REDACTED] of M.H.'s settlement proceeds to purchase an annuity contract from New York Life Insurance Company, which is

licensed to do business in the State of New York and is rated A++XV by A.M. Best and AA+ by Standard and Poor's, that will pay future periodic payments in the amount of [REDACTED] per month for M.H.'s life, beginning on July 1, 2021, guaranteed for forty years; and it is further

ORDERED that Defendants or their insurer will assign their obligation to make aforesaid future periodic payments to New York life Insurance & Annuity Corp., Inc. through a qualified assignment under Section 130(c) of the Internal Revenue Code; and it is further

ORDERED that New York Life Insurance & Annuity Corp., will fund their obligation to make future periodic payments by purchasing an annuity from New York Life Insurance Company; and it is further

ORDERED that New York Life Insurance Company will issue an Evidence of Guarantee that will guarantee the performance of New York Life Insurance & Annuity Corp., with respect to the obligation assumed; and it is further

ORDERED that the payee of the future periodic payments will be the "MGH Supplemental Needs Trust" and the future periodic payments shall be deposited into the "MGH Supplemental Needs Trust" to be held by First National Trust Company, the Corporate Trustee, and administered for the benefit of M.H. by National Distribution Consultants, LLC, the Distribution Director; and it is further

ORDERED that the future periodic payments cannot be accelerated, deferred, increased, decreased, anticipated, attached or assigned in any manner, and any transaction in violation of this restriction shall be void and invalid; and it is further

ORDERED that that Meghan Hunter and the Defendants shall cooperate fully and execute all supplementary documents and take all additional actions which may be necessary or appropriate to give full force and effect to the terms and intent of the settlement, including but

not limited to, the necessary structured settlement documents and a Stipulation of Dismissal of this entire action; and it is further

ORDERED that Meghan Hunter is authorized, permitted and directed to execute and deliver such releases, receipts and such other and usual papers as are required to evidence such satisfaction and release of the infant Plaintiff M.H.'s claims in this action; and it is further

ORDERED that Defendants or their insurer shall issue the following payments out of M.H.'s settlement proceeds:

- a. A payment in the amount of [REDACTED] to Hancock Estabrook, LLP for attorneys' fees;
- b. A payment in the amount of \$417,567.47 to Hancock Estabrook, LLP for expenses;
- c. A payment in the amount of [REDACTED] to Hancock Estabrook, LLP out of which Hancock Estabrook, LLP is to pay the Medicaid lien in the amount of \$5,838.45, or any updated Medicaid lien amount, and the remainder of which shall be deposited into the MGH Supplemental Needs Trust and held by First National Trust Company and administered for the benefit of M.H. by National Distribution Consultants, LLC.

Dated: July 23, 2021
Syracuse, New York

Brenda K. Sannes
HON. BREND A K. SANNE S
UNITED STATES DISTRICT COURT JUDGE